GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

STARRED QUESTION NO:125
ANSWERED ON:10.12.2003
CREATION OF ADDITIONAL CAPACITY IN PORTS
CHANDRA NATH SINGH;NIVEDITA MANE

Will the Minister of SHIPPING be pleased to state:

(a) whether the Government proposes to create additional capacity in major ports during the Tenth Five Year Plan;

(b) if so, the details thereof;

(c) whether the participation of private sector for the purpose has been sought;

(d) if so, the details thereof;

(e) the funds earmarked for the creation of additional capacity during the said period;

(f) whether tariff authority for major ports has fixed tariff ceiling and floor discount rate as directed by the Government; and

(g) if so, the details thereof?

Answer

MINISTER OF SHIPPING (SHRI SHATRUGHAN SINHA)

(a) to (g) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) OF STARRED QUESTION NO.125 TO BE ANSWERED ON DECEMBER, 2003 ASKED BY SHRIMATI NIVEDITA MANE AND SHRI C.N. SINGH REGARDING CREATION OF ADDI CAPACITY IN PORTS.

(a) Yes, Sir.

(b) The aggregate capacity in the 12 major ports at the end of the 9th Plan period on 31st March, 2002 was 343.95 million tonnes per annum (MTPA). This capacity is anticipated to go upto 470.60 MTPA by the end of the 10th Five Year Plan on 31st March, 2007. Thus, capacity addition of 126.65 MTPA is envisaged during the Tenth Five Year Plan in major ports.

(c) Yes, Sir.

(d) Participation of private sector in expansion and development of the major ports has been sought in order to mobilize the resources required for the purpose and in order to improve efficiency, productivity and quality of service as well as bring in competitiveness in port services in consonance with the general policy of liberalization/globalization of India's economy.

(e) An amount of Rs.3325 crores has been allocated in the Tenth Plan outlay for projects which will add to the capacity in major ports. This, however, does not include private sector investment in development of ports.

(f) Yes, Sir.

(g) The Government has issued directions to Tariff Authority for Major Ports (TAMP) under Section 111 of the Major Port Trusts Act, 1963 to fix the scale of rates as ceiling rates and to so specify in their notification fixing the rates so that the major ports have the flexibility to charge at reduced rates, if they so desire, to compete with others. Similarly, the discounts and rebates prescribed by TAMP in the Scale of Rates will act as the floor level and the port trusts will have the flexibility of giving higher discounts and rebates.

Accordingly, in its order passed on 28th August, 2003, TAMP has, inter alia, amended the Scale of Rates of all the major port trusts to insert the following general conditionality therein:-

"The rates prescribed in the Scale of Rates are ceiling levels; likewise, rebates and discounts are floor levels. The Port Trust may, if it so desires, charge lower rates and / or allow higher rebates and discounts."

The above order has been notified by TAMP vide No.TAMP/53/2003-Genl. dated 29th August, 2003 published in the Gazette of India Extraordinary Part III − Section 4.